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FYDP Improvement Overview

DoN FYDP Improvement Project

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Presented To: Art Holland
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Agenda

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BearingPoint Overview

FYDP Improvement Team

Business Process Improvement Efforts to Date

Future of FYDP Improvement

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BearingPoint – Facts and Figures

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Enduring relationships with world-class clients†

- More than 2,100 clients
- 430 of the *Fortune* 1000
- 97% retention of our top 100 clients
- A leading systems integrator to U.S. federal and state governments, serving
  - 17 states and 10 municipalities
  - All 14 Cabinet-level departments of the U.S. federal government
  - All 4 military services and many DOD agencies

Business solutions that provide proven results

Strategic alliances with nearly 50 market-leading hardware and software providers

† **FY02 Results**

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Our Business Model – Delivering Value Through Industry-Tailored Solutions

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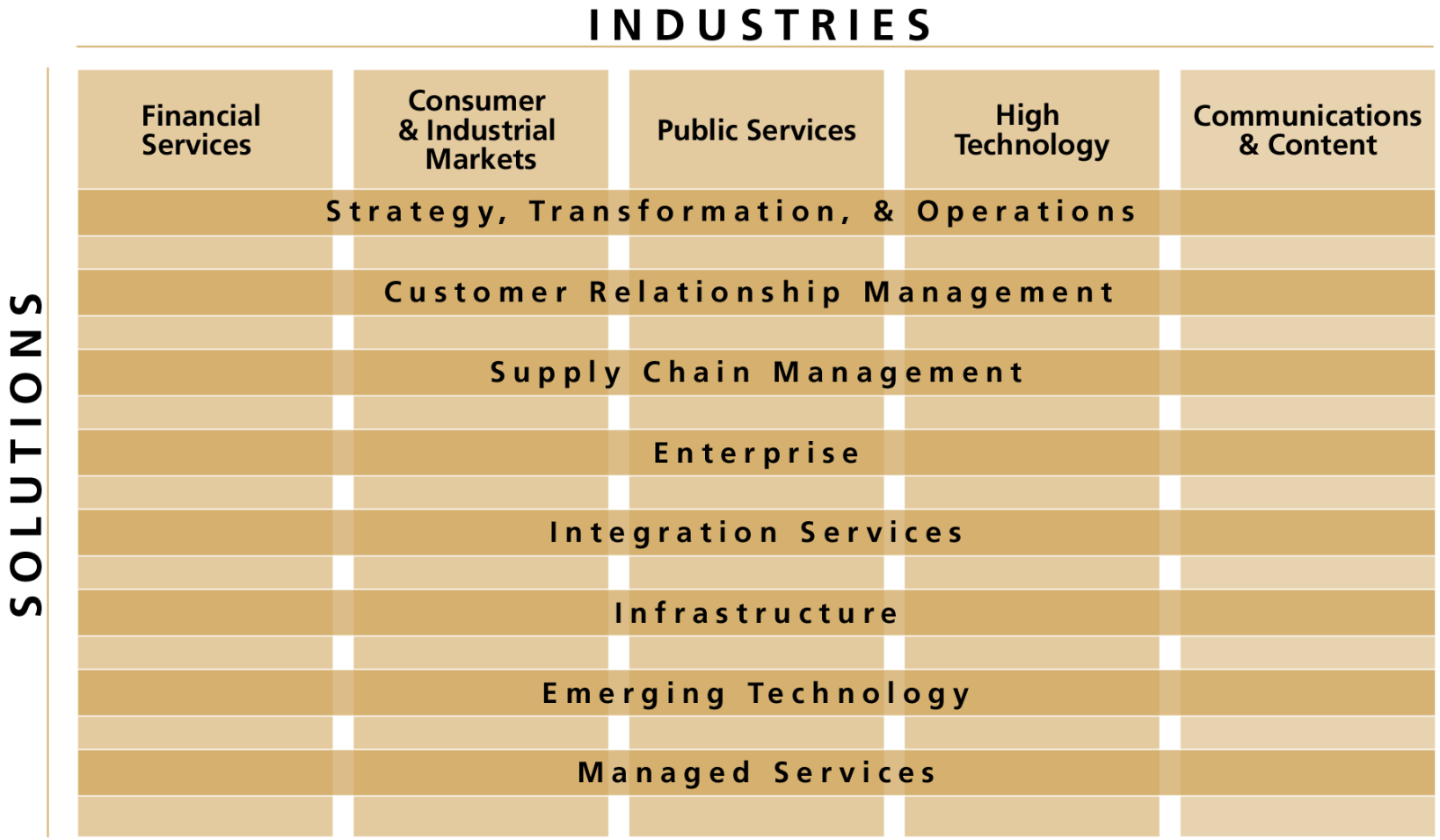

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FYDP Improvement Team

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Art Crowley – Senior Manager

- MBA in Finance and Banking; Hofstra University
- 15 years experience in BPI, Strategic Planning, Benchmarking, and Information Technology analysis primarily with DoD clients

Steve Schwab – Manager

- MBA in Information Management / Technology; Auburn University
- Former US Navy aviator and program integrator
- 6 years experience with BPI, ABC, Strategic Planning, and Program / Financial Management

Michael Howard – Consultant

- Bachelor's in Nuclear Engineering; Minor in Mechanical Engineering; University of Maryland
- 5 years experience in DoD primarily with database development and administration, software analysis, BPI, process modeling, and financial management

Garth DeVries – Consultant

- MS in Technology and Engineering Management; George Washington University
- Former US Navy Surface Warfare Officer, project manager, and instructor
- Experience with project management, BPI, software implementation project management

David Ventura – Senior Analyst

- Bachelor's in International Studies, Government & Politics; George Mason University
- 7 years experience in BPI, process modeling, and financial management for local government and DoD

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FYDP Engagement Overview

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DON FYDP Improvement Project

- DOD directed project to examine DON PPBS process and recommend constructive changes to reduce workload, improve data management and increase analytical capability

- Comprised of 3 initiatives:
  - PBIS development
    - Replace WINPAT (programming) and NBTS (budgeting) systems
  - PE (Program Element) Restructuring
    - Better align PEs with Navy decision making
  - Business Process Review and Analysis
    - Develop process related improvements

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Business Process Review Efforts

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PPBS As-Is process model development

- Top-down approach / Based on IDEF0 methodology
- Over 100 Subject Matter Experts contacted
- Over 50 working group meetings conducted

Information system architecture mapping

- High-level mapping of HQ PPBS information systems and interfaces

Functional Audit of WINPAT and NBTS systems

- Detailed matrix of system functionality

Catalogue of performance improvement opportunities

- Derived from model development, SMEs, and functional audit

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DoN HQ Performance Improvement Focus Areas

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OSD/External PPBS Reporting

- Time consuming; inconsistent sources

Information Sharing Across PPBS phases

- Reluctance to share information; stove-piped organizations

Audit Trails Within PPBS process

- Localized information systems and processes

Data Comparison Across PPBS

- Inability to track common data; PE – Line item disconnect

Performance Measurement

- Strategy to Budget disconnects; GPRA implications

Manpower Programming and Budgeting

- Information contained in multiple systems; manual data manipulation

Timing Disconnects

- Process takes too long; 18 months from Planning to Budget

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FYDP Improvement Recommendations Summary

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1. **Improve Communication Between Programming and Budgeting**
2. **Integrate DON POM & Budget Reviews**
3. **Eliminate POM FYDP Submission**
4. **Streamline Integrated Priority List (IPL), Component Commander Issue Paper (CCIP) & Sponsor Program Proposal Document (SPPD) process**
5. **Improve Budget Exhibit Collection**
6. **Automate FMB Analyst and Resource Sponsor Questions & Answers**
7. **Link Execution Data to Programming and Budgeting**
8. **Leverage Enterprise Resource Planning (ERP) at DON HQ**
9. **Automate PBIS Report Distribution**
10. **Link DON Strategic Goals to Budget Line Items**
11. **Improve Integration of Planning and Programming**
12. **Reduce Redundancies in Program Assessment**

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IRRMP Facilitation

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IRRMP was a part of the DNS directed Zero Based Review Effort

- Facilitated OPNAV PPBS stakeholders from N1, N2, N3/N5, N4, N6/N7, N80, N81, N095, FMB, CFFC, and USMC in over 80 working groups to discuss and design an improved PPBS process
  - Over 30 dysfunctional areas identified for the PPBS process
  - 7 Exit Criteria established to meet the CNO's goals
  - 2 "to-be" processes designed meeting the exit criteria
  - 6 potential organizational constructs to guide the "to-be" process developed
- The resulting recommendations from IRRMP were the subject of a wargame held at BearingPoint headquarters
  - Over 130 participants / 3 days
  - Implementation objectives for PR 05 and POM 06

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Additional Efforts

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USMC Decision Analysis Software Evaluation

Flying Hours Program – PE Restructuring Analysis

DON PPBS Cycle Line Item Analysis

USMC POM 04 MCPC Analysis

USMC Executive Information Displays Review

Comparative Analysis of Issue Functionality in PPBS Systems

PR 05 Serial Development

Director of Navy Staff (DNS) Support

USMC PE Data Element Review

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USMC P&R Program Element (PE) Data Element Review

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Three major tasks of PE Data Element Review

- **Task One** - Validation of new DoN PE structure
  - DoN PE structure currently represented in WINPAT is incomplete
- **Task Two** - Determination of the feasibility of developing an integrated data structure between DoN PEs and Marine Corps Program Codes (MCPCs)
  - A fully integrated structure in which MCPCs merge with DoN PEs and are essentially eliminated is not recommended
  - Most practical application of an integrated structure is developing logical mappings between MCPCs and DoN PEs
- **Task Three** - Examination of DoN PE Restructuring Impacts on OSD Reporting Requirements
  - New DoN PE Structure very closely aligned with Budget Line Item structure
  - Most significant impact is a substantial loss of resource allocation traceability

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The Way Ahead

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PBIS Operational Acceptance Testing

PE Restructuring

USMC CFS Facilitation

Support to OPNAV N8 in implementing PR-05 process

DNS Support

Implementation of Business Process Review Recommendations

Emergent Tasking as Required

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